

Interim Guidelines: ETP Welfare to Work Pilot Program

Introduction

Effective July 1, 2006, ETP will initiate a Welfare to Work (W2W) Pilot Program to support training for current or former CalWORKS recipients. In implementing this program, ETP will coordinate with the Department of Social Services (DSS) to provide information on CalWORK recipients and work participation rates under federal welfare to work requirements.

Pilot Program Parameters

As ETP gains experience funding such training, these guidelines will be revised as necessary. If the pilot is successful, ETP may develop regulatory standards.

- The Panel may approve up to \$2 million in FY 2006-07 for approximately 5 W2W pilot projects, under the criteria described below.
 - W2W Pilot projects must meet all ETP requirements – unless otherwise stated.
 - W2W Pilot projects may be funded to serve either unemployed or employed, current or former CalWORKS recipients.
 - The projects must emphasize training for entry-level (pre-apprenticeship) positions in the construction, healthcare, hospitality, services, and other targeted industries.

Contractor Eligibility

- Contractor must be eligible to contract with the Panel, under Unemployment Insurance Code Section 10205(c) as one of the following:
 - An employer or group of employers;
 - A training agency;
 - A local workforce investment board (WIB); or
 - A grant recipient or administrative entity pursuant to the Workforce Investment Act

Employer Eligibility

- Employers must be subject to the Employment Training Tax per UI Code, Section 10201(b).
- Employers are not required to meet the Panel's out-of-state competition eligibility requirements set forth in UI Code, Section 10200(1).
- For multiple employer contracts, incidental placement of unemployed trainees with public and non-profit entities is permissible, but placements must not exceed 20%.

However, given the special needs of this population, the Panel may waive this requirement for good cause.

- Employers in new hire projects are not required to make an in-kind contribution to training.
- The Panel's substantial contribution requirement is waived for the Welfare to Work population.

Trainee Eligibility

- Trainees can be either unemployed workers or employed workers.
- Trainees must:
 - Be receiving CalWORKs benefits at the time training begins, or
 - Be eligible to receive CalWORKs benefits, or
 - Have received CalWORKs benefits within one year of the time of the commencement of training.

Contractors must obtain/maintain evidence of trainee eligibility on file for ETP review.

Recruitment and Collaboration

- Contractor must identify a plan for recruiting CalWORKs recipients, which must be submitted with the proposed training project.
- Contractor must describe other program resources that will be used in collaboration with ETP funds to serve CalWORKs recipients.

Employment Retention Requirements

- Full-time employment is required for a minimum of 30 hours per week during the 90-day employment retention period, with up to three eligible participating employers. For occupations where it is not customary for a worker to be employed 90 consecutive days with a single employer, retention may consist of 500 hours within 150 days, with up to three eligible participating employers.

Wages

- The Panel may waive the ETP wage requirement to 25% below the ETP minimum wage (wage may include health benefits).

Curricula

- Training may consist of classroom, laboratory, videoconferencing, and computer-based training. The Panel will not fund Structured On-Site Training (SOST) or On-The-Job Training (OJT).
- At least 50 percent of trainee's total training hours must consist of vocational skills training.

- In conjunction with vocational skills training, training may also include literacy skills, which may exceed the Panel's cap on Literacy training as provided in CA Code of Regulations, Section 4420, "Literacy Training".
- A limited amount of basic skills training may also be provided.
- The standard cap on training hours for retrainees (200 hours) does not apply.

Reimbursement

- Training will be reimbursed per ETP's standard fixed-fee rate for retraining or new-hire training as applicable for single or multiple employers.
- Project administration costs must not exceed 13% for retraining and 20% for new-hires of amount earned. In addition, both retraining and new-hire MEC projects may receive up to 12% more for support costs.
- The standard cap on new-hire trainee costs (\$4,740) may be exceeded for good cause.

New Hire Projects

- All projects with new-hire training approved after July 1, 2006 must ensure that 20 percent of the new-hire trainees be receiving CalWORKS benefits, or be eligible for CalWORKS benefits, or have received CalWORKS benefits within one year of the commencement of training.

ETP Data Needs

- ETP will work with contractors to obtain trainee data at the start of training, e.g., trainee employment status (employed, unemployed), income level, most recent employer(s), etc. which can be used for future analysis of the effectiveness of ETP-funded training.
- ETP will follow-up on trainees after the completion of training and employment retention to determine the effectiveness of the training in helping trainees obtain and keep secure, well-paying jobs.